

Registered number  
05964423

**REGISTRAR'S COPY**

ABC Beds Limited

Report and Accounts

31 October 2008

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**ABC Beds Limited**  
**Report and accounts**  
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**The following pages do not form part of the statutory accounts:-**

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**ABC Beds Limited**  
**Company Information**

**Director**

M Kshirsagar esq - Appointed 29 April 2009

**Secretary**

J P Secretarial Services Limited

**Auditors**

White Hart Associates LLP  
109 South Worple Way  
London  
SW14 8TN

**Bankers**

HSBC Bank Plc  
26 - 28 St Ann's Road  
Harrow  
Middlesex  
HA1 1AL

**Registered office**

East House  
109 South Worple Way  
London  
SW14 8TN

**Registered number**

05964423

## **ABC Beds Limited**

### **Director's Report**

The director presents his report and accounts for the year ended 31 October 2008.

#### **Principal activities and review of the business**

The company's principal activity during the year continued to be that of a travel agency selling overseas holiday accommodation.

The company is required by the Companies Act to set out in this report a fair review of the business of the company during the financial year ended 31 October 2008 and the position of the company at the end of the year and a description of the principal risks and uncertainties facing the company. The review is prepared solely to provide additional information to shareholders to assess the company's strategies and the potential for the strategies to succeed, and the business review should not be relied upon by any other party or for any other purpose.

Turnover for the year ended 31 October 2008 was 25.26% lower than 2007 and reduced due to aggressive pricing from competitors seeking market share and because of the decline in the value of Sterling.

#### **Financial risk management objectives and policies**

The company operates in a highly competitive market featuring innovation in the travel product and the method by which it is marketed, as well as price pressures. To reduce risk the company monitors competitor activity closely.

The nature of the business exposes the company to geo-political events and natural disasters. The geographical spread of destinations served by the company mitigates the risk of such events.

The company is heavily reliant on information technology. Such systems are inherently susceptible to failure which could result in an impact on the company's selling systems and marketing via the internet. The company has made arrangements to mitigate this risk.

The company is exposed to translation and transaction foreign exchange risk. Transactions exposures, including those associated with forecast transactions are done mainly by forward contracts.

The company finances its operations through retained profits. The company's exposure to interest rate fluctuation is managed by short term or fixed term deposits.

**ABC Beds Limited**  
**Director's Report**

**Results and dividends**

The loss for the year after taxation amounted to £(80,549) (2007 - Profit - £217,722). The directors do not recommend a final dividend.

**Directors**

The following persons served as directors during the year:

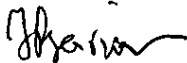
R L Shandilya esq - Resigned 29 April 2009

**Disclosure of information to auditors**

So far as each director at the date of approval of this report is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the board on 29 June 2009.



**For and on behalf of J P Secretarial Services Limited**  
Company secretary

## **ABC Beds Limited**

### **Statement of Director's Responsibilities**

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ABC Beds Limited**  
**Independent auditors' report**  
**to the shareholder of ABC Beds Limited**

We have audited the accounts of ABC Beds Limited for the year ended 31 October 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 October 2008 and of its loss for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.



**White Hart Associates LLP**  
Registered auditors  
29 June 2009

109 South Worple Way  
London  
SW14 8TN

**ABC Beds Limited**  
**Profit and Loss Account**  
**for the year ended 31 October 2008**

	Notes	2008 £	2007 £
<b>Total transaction value - "TTV"</b>		<b>5,814,264</b>	<b>6,228,935</b>
<b>Turnover</b>	2	1,160,341	1,552,527
Cost of sales		(1,082,103)	(1,284,601)
<b>Gross profit</b>		<b>78,238</b>	<b>267,926</b>
Distribution costs		(520)	-
Administrative expenses		(206,823)	(6,590)
Other operating income		10,516	47,498
<b>Operating (loss)/profit</b>	3	<b>(118,589)</b>	<b>308,834</b>
Interest payable	4	(51)	(129)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(118,640)</b>	<b>308,705</b>
Tax on (loss)/profit on ordinary activities	5	38,091	(90,983)
<b>(Loss)/profit for the financial year</b>		<b>(80,549)</b>	<b>217,722</b>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the (loss)/profit for the above two financial years.

**ABC Beds Limited**  
**Balance Sheet**  
**as at 31 October 2008**

	Notes	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	6	51,925	-
<b>Current assets</b>			
Debtors	7	939,035	764,862
Cash at bank and in hand		<u>340,282</u>	<u>188,235</u>
		1,279,317	953,097
<b>Creditors: amounts falling due within one year</b>	8	(1,183,928)	(735,075)
<b>Net current assets</b>		95,389	218,022
<b>Total assets less current liabilities</b>		147,314	218,022
<b>Provisions for liabilities</b>			
Deferred taxation	9	(9,841)	-
<b>Net assets</b>		<u>137,473</u>	<u>218,022</u>
<b>Capital and reserves</b>			
Called up share capital	10	300	300
Profit and loss account	11	137,173	217,722
<b>Shareholder's funds</b>	12	<u>137,473</u>	<u>218,022</u>

 M Kshirsagar

M Kshirsagar esq  
Director

Approved by the board on 29 June 2009

**ABC Beds Limited**  
**Cash Flow Statement**  
**for the year ended 31 October 2008**

	Notes	2008 £	2007 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating (loss)/profit		(118,589)	308,834
Depreciation charges		4,571	-
Increase in debtors		(174,173)	(764,862)
Increase in creditors		539,965	735,075
<b>Net cash inflow from operating activities</b>		<u>251,774</u>	<u>279,047</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		251,774	279,047
<b>Returns on investments and servicing of finance</b>	13	(51)	(129)
<b>Taxation</b>		(43,051)	(90,983)
<b>Capital expenditure</b>	13	<u>(56,496)</u>	<u>-</u>
		152,176	187,935
<b>Financing</b>	13	-	300
<b>Increase in cash</b>		<u>152,176</u>	<u>188,235</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase in cash in the period</b>		152,176	188,235
<b>Change in net debt</b>	14	<u>152,176</u>	<u>188,235</u>
<b>Net funds/(net debt) at 1 November</b>		188,106	(129)
<b>Net funds at 31 October</b>		<u>340,282</u>	<u>188,106</u>

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

**1 Accounting policies**

***Accounting convention***

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Website and software costs	3 yrs straight line basis
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Included in tangible fixed assets are website development costs. The director is of the opinion that the website will, and has, generated revenues directly and that the present value of the current and future cash flows to be generated by the website will be no less than the amounts capitalised.

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

**2 Turnover**

Turnover represents the commission and margin earned for booking holiday accommodation arrangements, net of value added tax and discounts, recognised on the date of booking basis.

Total transaction value ("TTV") - TTV, which is stated net of value added tax, does not represent the company's statutory turnover. As the company in the main acts as agent or cash collector, TTV represents the price at which goods and services have been sold to the customer. Application Note G to FRS5 requires the statutory turnover to be the net commission earned.

Turnover is attributable to one activity.

Trade debtors still represent gross amounts receivable in respect of sales of holiday accommodation arrangements and trade creditors still represent gross amounts payable in respect of the purchase of holiday accommodation arrangements.

<b>3 Operating profit</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	4,571	-
Auditors' remuneration for audit services	<u>6,000</u>	<u>-</u>

<b>4 Interest payable</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>51</u>	<u>129</u>

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

<b>5 Taxation</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	(49,651)	90,983
Adjustments in respect of previous periods	1,719	-
	<u>(47,932)</u>	<u>90,983</u>
Deferred tax:		
Origination and reversal of timing differences	9,841	-
Tax on (loss)/profit on ordinary activities	<u>(38,091)</u>	<u>90,983</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
(Loss)/profit on ordinary activities before tax	<u>(118,640)</u>	<u>308,705</u>
Standard rate of corporation tax in the UK	21%	30%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	(24,914)	92,612
Effects of:		
Expenses not deductible for tax purposes	-	(1,629)
Capital allowances for period in excess of depreciation	(9,841)	-
Utilisation of tax losses	(14,896)	-
Adjustments to tax charge in respect of previous periods	1,719	-
Current tax charge for period	<u>(47,932)</u>	<u>90,983</u>

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

**6 Tangible fixed assets**

	<b>Plant and machinery £</b>
<b>Cost</b>	
Additions	56,496
At 31 October 2008	<u>56,496</u>
<b>Depreciation</b>	
Charge for the year	4,571
At 31 October 2008	<u>4,571</u>
<b>Net book value</b>	
At 31 October 2008	<u>51,925</u>

**7 Debtors**

	<b>2008 £</b>	<b>2007 £</b>
Trade debtors	487,269	430,847
Amounts owed by group undertakings and undertakings in which the company has a participating interest	198,182	86,368
Other debtors	<u>253,584</u>	<u>247,647</u>
	<u>939,035</u>	<u>764,862</u>

**8 Creditors: amounts falling due within one year**

	<b>2008 £</b>	<b>2007 £</b>
Bank loans and overdrafts	-	129
Trade creditors	1,034,163	617,331
Amounts owed to group undertakings and undertakings in which the company has a participating interest	138,020	23,120
Corporation tax	-	90,983
Other taxes and social security costs	5,745	1,512
Other creditors	<u>6,000</u>	<u>2,000</u>
	<u>1,183,928</u>	<u>735,075</u>

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

<b>9 Deferred taxation</b>			<b>2008</b>	<b>2007</b>
			<b>£</b>	<b>£</b>
Accelerated capital allowances			9,841	-
Undiscounted provision for deferred tax			9,841	-
			<b>2008</b>	<b>2007</b>
			<b>£</b>	<b>£</b>
Deferred tax charge in profit and loss account			9,841	-
At 31 October			9,841	-
<b>10 Share capital</b>			<b>2008</b>	<b>2007</b>
			<b>£</b>	<b>£</b>
Authorised:				
Ordinary shares of £1 each			300	300
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	300	300	300	300
<b>11 Profit and loss account</b>			<b>2008</b>	
			<b>£</b>	
At 1 November			217,722	
Loss for the financial year			(80,549)	
At 31 October 2008			137,173	
<b>12 Reconciliation of movement in shareholder's funds</b>			<b>2008</b>	<b>2007</b>
			<b>£</b>	<b>£</b>
At 1 November			218,022	-
(Loss)/profit for the financial year			(80,549)	217,722
Shares issued			-	300
At 31 October			137,473	218,022

**ABC Beds Limited**  
**Notes to the Accounts**  
**for the year ended 31 October 2008**

<b>13 Gross cash flows</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest paid	<u>(51)</u>	<u>(129)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	<u>(56,496)</u>	<u>-</u>
<b>Financing</b>		
Issue of share capital	<u>-</u>	<u>300</u>

<b>14 Analysis of changes in net debt</b>	<b>At 1 Nov 2007</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 31 Oct 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	188,235	152,047		340,282
Overdrafts	(129)	129		-
		<u>152,176</u>		
<b>Total</b>	<u>188,106</u>	<u>152,176</u>	<u>-</u>	<u>340,282</u>

**15 Related parties**

The company has taken advantage of the exemptions available in Financial Reporting Standard No 8 (Related Party Disclosures) in respect of disclosing transactions with members of the UKTS Group Plc as consolidated accounts are available and more than 90% of the voting rights are controlled within the group.

**16 Controlling party**

The ultimate holding company is UKTS Group Plc, a company incorporated in England and Wales, Company Number 06311350, a company under the control of K Edara, who controls 66.67% of the issued shares in UKTS Group Plc.